

104TH CONGRESS
1ST SESSION

H. R. 2559

To amend the Internal Revenue Code of 1986 to provide an expanded medical expenses deduction.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 30, 1995

Mr. SMITH of Michigan introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide an expanded medical expenses deduction.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Health Care Tax Eq-
5 uity Act of 1995.”

6 **SEC. 2. EXPANDED DEDUCTION FOR HEALTH INSURANCE**

7 **PREMIUMS AND MEDICAL EXPENSES.**

8 (a) IN GENERAL.—Subsection (a) of section 213 of
9 the Internal Revenue Code is amended to read as follows:

10 “(a) ALLOWANCE OF DEDUCTION.—

1 “(1) IN GENERAL.—Deductions shall be allowed
2 for expenses paid during the taxable year, not com-
3 pensated for by insurance or otherwise, for medical
4 care of the taxpayer, his spouse, or a dependent (as
5 defined by section 152)—

6 “(A) to the extent such expenses do not ex-
7 ceed \$1800 (\$2400 in the case of a joint re-
8 turn); and

9 “(B) to the extent such expenses, exclud-
10 ing those expenses deducted under subsection
11 (a)(1)(A), exceed 7.5 percent of adjusted gross
12 income.

13 “(2) TREATMENT OF EMPLOYER- OR GOVERN-
14 MENT-PROVIDED MEDICAL CARE.—The deduction in
15 subsection (a)(1)(A) shall be reduced by the sum
16 of—

17 “(A) the value of employer-provided cov-
18 erage for medical care; and

19 “(B) the expenses paid by any government
20 (except in the capacity of an employer) of medi-
21 cal care.”

22 (b) ADDITION OF EXPANDED DEDUCTION TO COM-
23 PUTATION OF ADJUSTED GROSS INCOME.—Subsection (a)
24 of section 62 of the Internal Revenue Code is amended
25 by inserting after paragraph (14) the following language:

1 “(15) HEALTH CARE EXPENSES.—The deduc-
2 tion allowed by section 213 to the extent not in ex-
3 cess of the amount applicable under subsection
4 (a)(1)(A).”

5 (c) EFFECTIVE DATE.—The amendments made by
6 subsections (a) and (b) shall apply to taxable years begin-
7 ning after the date of the enactment of this Act.

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